

24th April 2018

1. Can the Council demonstrate that the Council exercised restraint in arriving at a 10.1% increase in the 2018/19 council tax precept and that the Council made the decision transparent to taxpayers as requested in guidance given by government?

We believe that the guidance you are referring to is the Local Government Finance Settlement for 2018/19 presented to government on 19th December 2017 by the Secretary of State for Communities and Local Government, Sajid Javid MP. An extract of which is shown below:

"I can also confirm the government intends to defer the setting of council tax referendum principles for town and parish councils. This is subject to the sector taking all available steps to mitigate the need for council tax increases and the government seeing clear evidence of restraint in the increases set by the sector as a whole."

Whitehill Town Council received notification of this on 19th December and the final report was published on 6th February 2018.

In 2016, The secretary of state for communities and local government announced the provisional local government finance settlement for 2017/18 in the House of Commons, including the following extract:

"[Town and parish council] play an important role in our civic life. We have decided that we will defer our proposals this year, while keeping the level of precepts set by town and parish councils under close review. I expect all town and parish councils to clearly demonstrate restraint when setting increases that are not a direct result of taking on additional responsibilities."

Whitehill & Bordon's regeneration includes the delivery of new community facilities and support to the community through the transformation process including a population increase from 14,000 to 22,000 by 2030. Whitehill Town Council is actively involved in the regeneration project and has already taken on additional responsibilities such as Bordon Inclosure in 2016 and the new Skatepark in 2017.

Whitehill Town Council can demonstrate that the additional £16,514 expenditure in 2018/19 is a direct result of increased costs in managing the Council's Amenities due to taking on additional responsibilities and meeting health & safety legislation and also to ensure sufficient funds for the 2019 elections, following a by-election in 2017.

Note that exempt discussion occurred at a full Council budget meeting on 16th October 2017, Advisory Policy Group meetings on 22nd November and 6th December. Proposals were agreed by the Policy & Resources Committee on 15th January 2018 before being agreed by full Council on 22nd January 2018 – both minutes are published at www.whitehilltowncouncil.gov.uk.

2. Were all available steps to mitigate the need for council tax increases and the government seeing clear evidence of restraint in the increases set by the sector as a whole?

Refer to question 1.

3. Were the Council given fair warning in 2017 that the Council was likely to lose government grant aid amounting to approx. £35k at some point?

The Council received the following notification from EHDC on 12.12.17 after a budget workshop and two Advisory Policy Group meetings where the draft budget was prepared:

“Council Tax Support Grant

When the Council tax Support Scheme was introduced in 2013, the Government provided District and Borough Councils with funding to minimise the impact of the scheme on Parishes. This funding formed a component part of the Council’s Revenue Support Grant, and EHDC committed to pay the grant for as long as it continued to receive Revenue Support Grant.

The Revenue Support Grant payable to East Hampshire District Council has now ceased, and this means that the Council can no longer pass on support grant. Therefore, Council Tax Support grants to Parishes will not be paid in 2018/19.

This will mean that, to maintain existing budget requirements, an increase in Band D charge will be required, or a reduction in budgets to maintain the existing Band D charge.”

See below for previous communication received:

Letter received from EHDC 02.02.16:

“Council Tax Support Grant

The precept notification form currently shows the continuance of grant payments in respect of the Council Tax Support scheme exactly as per 2016/17. No confirmation has currently been made regarding EHDC Cabinet decision to continue this grant support. We will communicate as soon as possible following any decision. This will then be formally ratified by the Cabinet on 23rd February 2017.”

Letter received from EHDC 06.02.17:

“Council Tax Support Grant

Further to my previous letter of 29th November 2016. I am able to confirm that EHDC will continue to pay the Parish Support Grant for 2017/18. The amount payable will be the same as per 2016/17”

Letter received from EHDC 01.12.15:

“Council Tax Support Grant

The Council has proposed to continue payment of grants in respect of the Council Tax Support scheme exactly as per 2015/16. Feedback received to date indicates that Parish are supportive of this approach. The Council does not therefore propose any change. This will

be formally ratified by the Cabinet on 4th February 2016. The grant payable to your parish in 2016/17 is £35,133.93”

4. Did the Council take prudent and responsible action to reduce Council expenditure and what savings were achieved?

Whitehill Town Council can clearly demonstrate it has taken on additional responsibility – refer to question 1. The Policy & Resources Committee is responsible for monitoring the Council’s budget and every expenditure is researched, and quotes sourced, in accordance with Council’s Financial Regulations.

Refer to Policy & Resources committee report Item 4.045 for a breakdown of the 2018/19 budget vs 2017/18 budget.

5. Of the 20k underspend in 2017/18 expenditure reported in January 2017, how much will have been spent by 31st March 2018?

Refer to Policy & Resources committee report 23.04.18, Item 4.045.

6. What is the increase in Council expenditure included in the 2018/19 budget?

Refer to Policy & Resources committee report 23.04.18, Item 4.045.

7. What is the latest forecast for the general reserves monies as at 31st March 2018 and how does this figure compare to previous years?

Refer to Policy & Resources committee report 23.04.18, Item 4.046.

8. Did the Council comply with the government guidelines which state that all available steps should be taken to mitigate the need for Council tax increases including the use of reserves if necessary?

Refer to extract of the Policy & Resources Committee meeting 15.01.18 below:

3.037	2018/19 DRAFT BUDGET Members reviewed the draft 2018/19 budget as proposed by the Advisory Policy Group. Members discussed the proposed precept increase and agreed that the majority of the increase covered the loss of the EHDC Council Tax Support Grant and it would not be sustainable long term to fund this from general reserves. Action: Town Clerk to update report to Council 22.01.18 showing the amount of precept increase relating to the reduction in the Council Tax Support Grant. No further comments were made.
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9. Has the Council satisfactory cash flow forecasting practices in place in order to maximise investment income.

The Policy & Resources is responsible for monitoring the bank balances, general reserves, investments/deposits, investment strategy and agreeing to new investments/deposits. Following a full Council review of the Council's Strategic Plan on 21.05.18, the Internal Auditors recommendation (15.11.17) to move funds to interest bearing accounts with variable access will be considered.

10. What is the current at bank figure currently?

- Refer to Policy & Resources committee report 23.04.18, Item 4.046.